

# **EXHIBIT A**

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As filed with the Securities and Exchange Commission on February 23, 2009

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**Form 20-F**

(Mark one)

- ☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2008**

**OR**

- ☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2008**

**OR**

- ☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**OR**

- ☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

**Commission file number 001-05146-01**

**KONINKLIJKE PHILIPS ELECTRONICS N.V.**

(Exact name of Registrant as specified in charter)

**ROYAL PHILIPS ELECTRONICS**

(Translation of Registrant's name into English)

**The Netherlands**

(Jurisdiction of incorporation or organization)

**Breitner Center, Amstelplein 2, 1096 BC Amsterdam, The Netherlands  
(Address of principal executive office)**

**Eric Coutinho, Chief Legal Officer & Secretary to the Board of Management**  
+31 20 59 77232, eric.coutinho@philips.com, Breitner Center, Amstelplein 2, 1096 BC Amsterdam, The  
Netherlands

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class  
**Common Shares — par value  
Euro (EUR) 0.20 per share**

Name of each exchange on which registered  
**New York Stock Exchange**

Securities registered or to be registered pursuant to Section 12(g) of the Act:  
**None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:  
**Common Shares — par value Euro (EUR) 0.20 per share**  
(Title of class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

Class  
**Koninklijke Philips Electronics N.V.**  
Common Shares par value EUR 0.20 per share

Outstanding at December 31, 2008  
972,411,769 shares, including  
47,577,915 treasury shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

Note-Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

☒ Yes ☐ No

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☒

International Financial Reporting Standards as issued by  
by the International Accounting Standards Board ☐

Other ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐

Indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☒ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

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### Consumer Lifestyle

- Consumer markets heavily impacted by downturn
- Integration of former CE and DAP
- Refocused approach to Television based on differentiation
- Market and customer-driven portfolio choices

Today's consumers want to enjoy a healthy life balance — to look and feel good, and to benefit emotionally from rich, pleasurable technology experiences, both at home and on the move.

The pursuit of personal health and well-being is a universal trend. It represents a significant proportion of the total global consumer spend and the broad consumer lifestyle market in particular, which is itself nearly three times larger than the market for our existing consumer businesses. It is creating a market in both developed and emerging economies, is growing at a faster pace than the overall consumer goods market, and therefore represents a formidable platform for sustainable growth.

### Lifestyle retail landscape

The lifestyle retail landscape continues to evolve, with Brazil, China and India emerging as major retail markets and retailers driving their expansion, both into new geographies, as well as into the online segment.

Our new Consumer Lifestyle sector, launched on January 1, 2008, reflects Philips' evolution from a technology business to one that focuses on people's health and well-being. Through the application of design and validated consumer insight, we develop innovative solutions that help to fulfill people's lifestyle needs and desires.

Clearly, markets around the world — both mature and emerging — were hit hard by the steep downturn in the second half of the year, with its sharp decline in consumer confidence and consumer spending, a situation that is expected to continue in 2009. This had a heavy impact on our Consumer Lifestyle sector. Now more than ever, focus, flexibility and differentiation remain key to gaining and maintaining market leadership.

### About Philips Consumer Lifestyle

The Philips Consumer Lifestyle sector was launched following the integration of the former Domestic Appliances & Personal Care and Consumer Electronics divisions. The sector is organized around its markets, customers and consumers, with its businesses focused on value creation through category development, and its functions concentrating on value delivery through operational excellence, albeit with a lower fixed-cost base. A delayed management structure has increased the span of control of the sector's leadership, creating greater employee empowerment to help drive Consumer Lifestyle forward.

The market-driven approach is applied with particular emphasis at local level, enabling the sales organizations to operate with shorter lines of communication with the sector's six businesses. This also promotes customer-centricity in day-to-day operations. The grouping of local sales activities within three sales 'clusters' — Western Europe & North America, Growth (including the emerging markets of China, India, Russia, Latin America, Poland, Turkey and Ukraine) and International — with each cluster defined by the individual market characteristics, enables Consumer Lifestyle to address a variety of dynamics in both its mature and emerging markets.

In 2008 the sector consisted of the following areas of business:

- Television — experience television (including the new Aurea II, Ambilight and ultra-thin Essence TV ranges), lifestyle television, professional and business display solutions
- Shaving & Beauty — electric shavers, female depilation appliances, haircare and male grooming products, vitality solutions (including the Wake-Up light)
- Audio & Video Multimedia — home and portable audio and video entertainment, including Blu-ray Disc playback, MP3 and MP4 players, and docking stations for portable entertainment devices
- Domestic Appliances — kitchen appliances, floor care, garment care, water and air purifiers, beverage appliances
- Health & Wellness — oral healthcare, mother and childcare, relationship care
- Peripherals & Accessories — mobility accessories (including headphones, portable audio accessories), remote controls, PC peripherals, digital picture frames, audio and video communications (including DECT and VoIP digital cordless phones).

We also partner with leading companies from other fields, such as Sara Lee/Douwe Egberts, Nivea Beiersdorf and Swarovski, in order to deliver customer-focused appliance/consumable combinations.

Consumer Lifestyle has continued its business with international key accounts, particularly in emerging markets. The introduction of ‘flagship’ online stores for Consumer Lifestyle products has added a key touch-point to the consumer brand experience.

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With our extensive product portfolio, we are able to service traditional and emerging distribution channels, e.g. general retailers, electronic retailers, mass merchants, retail specialists, online retailers, and distributors/wholesalers. We offer a broad range of products from high to low price/value quartiles, necessitating a diverse distribution model that includes mass merchants, retail chains, independents and small specialty stores often represented by buying groups.

Under normal economic conditions, the Consumer Lifestyle business experiences seasonality, with higher sales in the fourth quarter resulting from the holiday sales.

Consumer Lifestyle employs approximately 17,000 people worldwide — down by some 6,000 compared to 2007 following the integration of the former CE and DAP businesses and subsequent rebalancing of the portfolio and industrial footprint. Our global sales and service organization embraces more than 50 mature and emerging markets. In addition, we operate manufacturing and business creation organizations in the Netherlands, France, Belgium, Austria, Hungary, Singapore, Argentina, Brazil and China.

Consumer Lifestyle strives for full compliance with relevant regulatory requirements, including the European Union's WEEE (Waste from Electrical and Electronic Equipment) directive.

The information on the sourcing of the sector Consumer Lifestyle under the heading "Operating and financial review and prospects" in item 5 is incorporated herein by reference.

### **Transformation program**

Throughout 2008, Consumer Lifestyle has undergone a process of integration and optimization. This has involved 'right-sizing' the two complementary business operations from the start of the year into one that is focused on profitability and business stability with synergies and lower fixed costs. Within this framework, the sector has applied itself to making focused choices on the categories and markets in which it operates in order to create a stronger and more profitable foundation for growth.

The sector has also placed particular emphasis on ensuring the right product/market combinations exist across its portfolio, making bold choices in many markets regarding which categories to pursue and grow. For example, Television has shifted from a business based on scale to one driven by differentiation, especially in its channel/market mix. Traditional world-class competences in areas like picture quality and technical performance have been maintained, while additional focus has been placed on differentiated design and experiences.

Across many of our businesses, we tightened our focus in Europe and North America, while expanding our presence in emerging markets like Brazil, India, China and Russia. Within the North American market, Philips entered into a five-year minimum brand licensing agreement with Funai Electric Company of Japan, under which Funai will assume responsibility for all Philips-branded consumer television activities in the United States and Canada. Toward the end of the year this agreement was extended, adding audio-video categories in the US and TV and audio-video categories in Mexico. Consumer Lifestyle took a similar approach to its PC monitors and digital signage business, IT Displays, entering into a brand licensing agreement with TPV Technology Ltd for the global distribution and marketing of products in these categories. This transaction is expected to be completed in the first quarter of 2009.

### **Progress against targets**

In 2007 a number of key targets have been set out for Philips Consumer Lifestyle in 2008. The advances made in addressing these are outlined below.

### **Leverage post-integration synergies**

Best practices from the former Domestic Appliances & Personal Care and Consumer Electronics divisions have been implemented across the new Consumer Lifestyle sector. Marketing expertise from the previous DAP organization, for example, has been applied in the higher-volume electronics categories, and the supply chain competences of CE have been leveraged across the sector.

### **Open up new value spaces**

Consumer Lifestyle's application of insight and innovation has helped it open up new and emerging value spaces. With the stronger focus on consumer health and well-being, categories such as the Sonicare oral healthcare and Philips-Avent mother and child ranges have already given Consumer Lifestyle a foothold in this area. With the 2007 launch of the Water & Air category, the sector started to focus on new opportunities. In this category, the Philips brand is applied to the very basic necessities of life in emerging and mature markets where the provision of clean drinking water or purer indoor air can improve the quality of life. In 2008 the Relationship Care category was created as a platform to address a different aspect of

well-being and initially, in particular, the intimate needs and interests of committed couples in the 35 to 55-year age group.

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### **Create a unified, engaged and high-performance organization**

Consumer Lifestyle brought together highly engaged employees from the former DAP and CE organizations. Integration-related communications focused on driving a single-sector mindset, an initiative running in step with the operational transition of activities into the new sector.

The sector has focused strongly on creating the right kind of empowered leadership to take it forward, with an increased span of control and greater diversity in terms of both gender and nationality. Consumer Lifestyle has recorded an increase in employee engagement levels related to its leadership, with the Philips Leadership Index — reflecting leadership effectiveness and engagement capabilities — rising by 4% over the year.

### **Maximize our structure to be fully market-driven**

Consumer Lifestyle's structure — in particular, its clustered sales organization — has reinforced the sector's market-driven approach, both geographically and in terms of applying consumer insight, relevant innovation and design to drive positions of strength, such as its Shaving & Beauty, Domestic Appliances and Peripherals & Accessories businesses.

### **Strategy and 2009 objectives**

Philips Consumer Lifestyle will play an important role in the realization of Philips' strategic ambitions. For 2009 and beyond, Consumer Lifestyle has put in place a number of specific value-creating initiatives which it will drive via the axes *Drive performance*, *Accelerate change* and *Implement strategy*:

- Further optimize the business portfolio to focus on higher growth, higher-margin product categories and to build on global and regional leadership positions
- Selectively strengthen the portfolio through opening up new values spaces, including pursuing external opportunities such as strategic acquisitions and alliances
- Focus on geographic areas — in particular emerging markets — with the highest return on marketing investment
- Increase effectiveness and investment in advertising and promotion as well as research and development
- Maintain rigorous cost and organizational discipline, measured against external and internal benchmarks.

The information on the financial performance of the sector Consumer Lifestyle under the heading "Operating and financial review and prospects" in item 5 is incorporated herein by reference.

### **Lighting**

- Transition to energy-efficient lighting, solid-state lighting and applications
- Slowdown in automotive and construction sectors
- Acquisition and integration of Genlyte
- Major transformation program
- Strengthened position in emerging markets

Around the world, people are increasingly concerned about the effects of climate change and rising energy costs. In many countries a substantial body of 'green' legislation is imminent, if not already in place — much of which has a direct impact on the future of lighting. Indeed, the European Union has decided to phase out incandescent lamps by 2012, in line with our December 2006 appeal to accelerate the switch to energy-efficient solutions. Understanding these imperatives and addressing these challenges presents us with a tremendous opportunity to help shape the future of lighting on a global scale.

Lighting accounts for 19% of global electricity consumption. Innovative lighting solutions can realistically reduce the energy consumption of today's installed base by at least 40% (and even up to 70%, e.g. in offices), while also improving the quality of the light. We can play a significant role in encouraging and enabling the switch to energy-efficient lighting and helping combat climate change.

### **Lighting landscape**

Overall, we see three main transitions that will affect the lighting industry in the years to come. The first is from incandescent lamps to energy-efficient light sources. Rising energy prices and increased awareness of climate change are creating a greater demand for energy-saving lighting. As a result, the market for innovative, efficient and sustainable lighting solutions is growing.

The second transition is the move from traditional vacuum-based technologies to solid-state lighting technology. Solid-state